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ABSTRACT

A wide variety of media subjects are discussed in an introductory mass communication course at Southern Arkansas University, and one of the most popular instructional sections with students is "infomercials." This paper acquaints students with the history, scope, and controversy surrounding the infomercial genre. It first explains that infomercials are 30-minute program-length advertisements seen on cable television networks and broadcast affiliates. It then examines infomercials as a genre seeking legitimacy, looking at them from a number of perspectives. The new trend of mainstream corporations producing infomercials is also considered. Some of the questions the paper addresses are: how much money the infomercial business generates; what the cost of producing an infomercial is; who the major producers are; what are the types of products for which they are most effective; and what the cost of buying 30 minutes on cable television is. Elements in the paper are discussed as an instructional unit, interspersed with viewing segments or edited clips of infomercials in class. As a result, the paper states, students better understand how advertising, marketing, demographics, psychology, self-esteem, and emotional appeals are just some of the factors that can lead to the success or failure of infomercials. Contains 30 references. (NKA)

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"Infomercials: A Genre in Search of Legitimacy."
(Mass Communication Instructional Unit)

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One of the courses I teach at Southern Arkansas University is MCOM 1003/Introduction to Mass Communication. A wide variety of media subjects, particularly dealing with the television industry, are addressed in the course. One of the most popular instructional sections with students is infomercials. So much so, in fact, that I prepared a paper that acquaints students with the history, scope, and controversy surrounding the genre. We discuss elements found in this paper as an instructional unit, interspersed with viewing segments or edited clips of infomercials in class. As a result, students better understand how advertising, marketing, demographics, psychology, self-esteem, and emotional appeals are just some of the factors that can lead to the success or failure of infomercials.

One of the newest trends in the electronic publishing industry in the past decade has been the increasing popularity of infomercials. They are 30-minute program-length advertisements seen on cable television networks and broadcast affiliates. Infomercials have become more of a revenue staple for stations each year since 1984, when the Federal Communications Commission ruled that individual stations could determine how many minutes of commercials they wished to run each broadcast day. The industry had also received a boost two years earlier, when the Department of Justice began an antitrust action to deregulate

commercials. As a result of these efforts, numerous individual and corporate entrepreneurs have tried with varying degrees of success to promote their products to late night and early morning viewing audiences through infomercials.

This MCOM 1003/Introduction to Mass Communication instructional unit will examine infomercials as a genre seeking legitimacy from a number of perspectives. How did this form of advertising become so prominent so quickly? Has it been a victim of rapid growth? As the infomercial industry has expanded, threats to its credibility have occurred. The Federal Trade Commission has taken a strong stand against producers selling products with unsubstantiated claims. Some of these shows with misleading statements will be examined. Efforts at self-regulation in tandem with federal regulation will also be discussed.

Mainstream corporations are now producing infomercials, with many using celebrities as spokespersons. The rationale for this trend will be evaluated. Other questions will be addressed. How much money does the infomercial business generate? Who are the major producers of infomercials? How much does it cost to produce one? What types of products are most effective? How much does it cost to buy 30 minutes on a cable network or television station? In addition, analyses of some of the top-grossing infomercials currently running on national cable

networks will be observed regarding their products, claims and testimonials.

The image of infomercials has always been suspect in some quarters. This impression was not helped by intervention from the Federal Trade Commission when products could not deliver on their promises. In 1991, the FTC charged Synchronal Corporation with making misleading statements concerning two program-length commercials. A show titled Can You Beat Baldness? sold Omexin, a product that supposedly could stop baldness and grow hair. Synchronal was also charged with making false claims about cellulite reduction in Cellulite Free: Straight Talk with Erin Gray. The FTC claimed that these two infomercials were also deceptive, as they had the appearance of being talk shows or investigative reports. A 1991 Texas lawsuit against Synchronal involving these infomercials resulted in fines of $25,000 daily for alleged violations of the Food, Drug and Cosmetic Act.

Other infomercials have raised questions as to their validity. Actor Chad Everett, who played a doctor on the CBS television series Medical Center, hosted an infomercial for a product called Encor. Its use would supposedly reinvigorate the male libido from a state of impotence. This infomercial is no longer on the air.

The infomercial series Amazing Discoveries highlights products such as tooth whiteners, memory programs, computer

operation videotapes, car waxes and household cleaners. Structured as a talk show with a set similar to Geraldo, host Mike Levey and a paid audience initially appear skeptical about the products, but gradually come to embrace them.

These and other shows that skirt the bounds of accuracy in advertising have raised the ire of some media critics. Walter Kirn of Mirabella has been particularly harsh on those involved with the genre. While believing that some infomercials are watchable, he muses about what self-improvement and cosmetic products sold by celebrities say about American popular culture. Kirn sees manipulation of viewer emotions at the heart of successful infomercials, a genre that has no qualms with lowering itself to manipulation in order to sell juice extractors or financial systems.

In part to satisfy its critics, and in part to keep the FTC at bay, the infomercial industry began efforts at self-regulation to monitor its conduct. In 1991, the National Infomercial Marketing Association (NIMA) was formed to combat concerns about the genre. The legal founder of NIMA, Jeffrey Knowles, believes the guidelines for enforcement, which include money-back guarantee clauses, were important to establish credibility with the FTC. These steps were taken in the wake of a $1.5 million fine levied by the FTC against infomercial producer Twin Star. One of its shows, hosted by Michael Reagan, promoted a diet patch

that supposedly could help a person lose weight.

These and other self-regulatory actions taken by NIMA have helped to change the perception by corporations concerning the viability of infomercials as an advertising option. The finances obtained from selling products through program-length commercials has also been a factor in this change of attitude. In 1991, infomercials grossed $500 million. This was a primary factor in established companies considering entrance into the field. At one point, MTV was conducting research into starting its own 24-hour infomercial channel. The Home Shopping Network went beyond research to establish a short-lived 24-hour infomercial network named "Home Shopping Network Entertainment." Cable operators were doubtful about the long-term viability of a third infomercial network called "FYI-The Consumer Channel." It ultimately did not receive carriage in a cable television universe with little flexibility for increases in channel capacity.

Despite these attempts to establish infomercial cable channels, the only 24-hour television advertising networks in existence are Home Shopping Network and QVC. However, this has not deterred national advertisers from jumping into the infomercial arena. One of the first established companies to become involved in producing direct response television shows was Volvo. Its program-length commercial, which featured automobile

safety concerns, resulted in more than 20,000 telephone calls. Other corporations have not fared as well as Volvo. General Motors produced an infomercial for its Saturn automobile in 1991 that received little feedback from viewers.

More Fortune 500 companies will produce infomercials in the future, primarily to tout products that are best explained in long-form advertising formats. While Eastman Kodak has produced an infomercial for its photo compact disc, other companies such as Volkswagen and Avon are still in the production stages. King World, a media company best known for distributing The Oprah Winfrey Show, Jeopardy! and Wheel of Fortune, has signed an agreement with Sears to produce eight infomercials for individual products. Steven Dworman of the Infomercial Marketing Report believes increased corporate interest is due to the educational and effective benefits of the genre.

Has the infomercial field become a victim of its own success with increased revenue and publicity? A number of factors have contributed to this predicament. It is ironic that some large cable networks have or plan to cut the number of infomercials they play each day. These networks include USA, The Learning Channel, and Black Entertainment Television. Airtime to purchase infomercials has gone up as their popularity as an advertising tool has been proved. Estimates in 1993 showed that it would cost an infomercial producer as much as $50,000 to purchase a

Saturday morning slot on a network affiliate. Another statistic indicates that buying airtime for infomercials has increased as much as 5,000 percent since FCC commercial deregulation in 1984. However, as little as $100 can still buy a poor time slot at a small market television station.

A controversy has arisen surrounding the production of infomercials that look even more realistic than talk shows or investigative reports. Bell Atlantic produced an infomercial in 1992 that looked like a situation comedy. Titled The Ringers, the "sitcommercial," as Bell Atlantic called it, featured an American family constantly on the telephone. Media critic Karen Brown of the Center for the Study of Commercialism, a Washington consumer organization, disliked the ethics of the Bell Atlantic infomercial. She said The Ringers had flagrantly crossed the line from advertising to entertainment. The Bell Atlantic infomercial is no longer on the air.

What are the financial costs of producing infomercials? The expenditures continue to rise each year. Cindy Anderson is an employee of Guthy-Renker Corporation, one of the largest infomercial producers in the United States. She says an inexpensive infomercial costs approximately $150,000 to produce, with the most expensive productions reaching about $1 million. Many expenses incurred in the more costly infomercials come from up-front costs for celebrity endorsers. Among others, they have

included Cher and Victoria Principal for cosmetics, Vanna White for a tooth whitener, Dionne Warwick for the Psychic Friends Network, Jane Fonda for an exercise machine and fitness expert Jack LaLanne for a juice extractor.

Anderson says that only one in eight infomercials will succeed. To test the selling power of a new product, weekend program-length buys are made by producers on cable networks. If an infomercial generates sales, more buys will be made on both cable networks and broadcast stations. Anderson claims that her company, Guthy-Renker, produces infomercials that are primarily content-based. Viewers can watch the shows and take something with them even if they do not buy the products advertised. She uses the Personal Power! infomercial produced by Guthy-Renker to support her claim. Since its initial broadcast in 1989, Personal Power! With Anthony Robbins has grossed more than $120 million.

More infomercials rely on star power today than in the infancy of the genre. Some producers feels their products are legitimized by celebrity endorsers. It is clear, however, that they do not necessarily bring with them product success. Recent infomercials featuring such well-known personalities as Burt Reynolds, Jane Seymour, Raquel Welch and Farrah Fawcett have not done well. Producer Greg Renker of Guthy-Renker says his biggest mistake was developing an infomercial with actress Morgan Fairchild selling a drug-free program for children. The

infomercial flopped. A $250,000 investment Renker had made in Fairchild as a celebrity endorser had not paid off.

Stars can also be made from well-liked infomercials. Susan Powter, a self-described weight and fitness expert, has crossed over into the broadcast marketplace as a result of the success of her Stop the Insanity! infomercials. She signed a contract to host her own syndicated talk show beginning in the fall of 1994. Jay Kordich, also known as "The Juiceman," and fitness expert Tony Little have parlayed the success of their infomercials into lucrative celebrity contracts in other areas. Ron Popeil of Ronco Incorporated has enjoyed celebrity status from his appearances in infomercials selling products such as the "GLH" hair system, a food dehydrator and a fresh pasta machine. Hollywood makeup artist Victoria Jackson is widely recognized as a result of her cosmetics infomercial that features actresses Meredith Baxter, Ali MacGraw and Lisa Hartman Black as celebrity endorsers.

Participants at the 1993 mid-year NIMA convention were predicting a bright future for the industry. It was disclosed that direct marketing firms and advertising agencies were in the beginning stages of producing both 30 and 60-minute infomercials. National advertisers continued to explore the field, as some plan to make their own program-length commercials. According to a GTE advertising manager, infomercials were becoming a "superior" type

of advertising format. A survey quoted at the NIMA convention showed an increasing awareness of infomercials in the minds of consumers. More than 55 percent of those surveyed had seen an infomercial in 1992, with 70 percent of the respondents falling between the demographic of 18 to 24 years of age.

Entrepreneurs in the past year have experimented with producing infomercials concentrating on both local and nationally syndicated businesses. "Infovision" is a Massachusetts company that produces short corporate profiles that are part of weekly 30-minute infomercials concentrating on businesses in the Boston and Atlanta markets. King World Productions, which was previously mentioned as a producer of infomercials for Sears, will also distribute and market its own in-house productions. The King World Direct division plans first to concentrate on company productions, then branch out to distribute outside program-length commercials for a fee or a percentage of advertising sales.

Some new infomercials are intentionally catered to cater to more diverse audiences. The infomercial series Amazing Discoveries has started dubbing its shows in Spanish, taking advantage of an increasing Hispanic population base in the United States. It is a market that has not been tapped by most infomercial producers. One reason is because Hispanics have a low credit card saturation rate. Despite this, it has been shown

through research that Hispanics pay off COD orders at a higher percentage than the American population as a whole. Another potential infomercial audience is radio. NIMA and the Radio Advertising Bureau have agreed on a set of self-regulatory standards for marketing radio infomercials. It could potentially provide a new revenue stream for stations.

It appears clear from numerous articles in broadcasting trade publications that infomercials are now embraced by advertisers who once held them in disfavor. Those attending the 1993 mid-year NIMA convention heard glowing statistics concerning revenue and production costs. According to NIMA, about $900 million in revenue would be generated in 1993. Trends of self-empowerment among successful infomercials were evaluated, including those featuring Susan Powter and Anthony Robbins. Despite such optimistic statements, there are still some problems with products making misleading claims. Janet Steiger of the FTC said a number of actions involving these infomercials had been taken.

One of the new trends with infomercial productions in 1994 was an innovation in financing them. Brockway Direct Response Television plans to finance and distribute products from manufacturers or inventors. This is one of many moves designed to give Brockway a unique financial niche in the infomercial industry. Through a division named Brockway New Venture

Partnerships, joint enterprises for program-length commercials will be solicited for up to 15 products by 1996. Some former infomercial clients served by Brockway include Black & Decker, MCA/Universal and Redken Hair Products.

Questions about the genre remain for those who have not seen or have little awareness of an infomercial. What is its structure? How does it sell a product? Are personal testimonials effective at selling merchandise? Do formats of some infomercials appear to be something they are not? Is there a money-back guarantee? What are the credentials of individuals selling products?

Examples recently videotaped at random from national cable networks, and shown in MCOM 1003/Introduction to Mass Communication as part of this instructional unit on infomercials, will attempt to answer these questions.

The first infomercial to be examined at first glance appears to be a talk show in format. It is titled Women's Fitness Revolution, and is hosted by Jackie Bailes. Her guest is health and fitness expert Denise Austin, who hosts a daily exercise program on ESPN. The credibility of Austin as a health expert is established with numerous photographs on the covers of her exercise videos. Austin was a member of the President's Council on Physical Fitness and Sports for more than ten years, and is seen in a photograph with former President George Bush.

Austin is selling a product called "Tone Up 1-2-3," an exercise device that can around the waist, arms or legs. It is claimed that the product can flatten the stomach, in addition to firming buttocks, arms and thighs. Bales also touts the product, stating that "Tone Up 1-2-3" is an exercise breakthrough. Several commercials run within the infomercial itself, discussing the benefits and price of "Tone Up 1-2-3," which is available for three payments of $16.66.

Members of the audience are brought to the stage to verify the claims of Austin and Bailes. Three women say they have lost weight due to the Denise Austin exercise system, but only recently have used the "Tone Up 1-2-3" device in their workouts. The final testimonial involves a woman who has lost more than 200 pounds. The inference is that "Tone Up 1-2-3" can potentially give the same positive results to those in the audience that buy it. The show concludes with a toll-free number on the screen to call.

The second infomercial has been chronicled on a few occasions in this instructional unit. It features self-improvement coach Anthony Robbins in the fourth edition of his Personal Power! series. Veteran radio personality Casey Kasem hosts the show. He claims that his involvement with the Robbins system has made him more focused and happy in his life. A variety of entertainment and sports celebrities, ranging from

"Baywatch" actress Pamela Anderson, to "Sleepless in Seattle" screenwriter Jeff Arch, to National Football League placekicker Nick Lowery, are used in testimonials. Each discusses how the "Personal Power!" program has affected them.

Robbins is labeled as a brilliant thinker who has come up with a technology, available through videotapes and audiocassettes, which can result in positive results within 30 days. Former NFL quarterback Fran Tarkenton interviews Robbins in front of a hotel swimming pool in Hawaii, one of number of subliminal visuals used in the infomercial that imply success. Tarkenton volunteers that he was unhappy in his life before embracing "Personal Power!" It has made him a better person. According to Robbins, people need to be satisfied in both their professional and personal spheres.

"Personal Power!" can be ordered on a free 30-day trial basis, and is available for three payments of $59.95. Robbins ends his show with a personal appeal to viewers. He says people must take that first step in attaining their goals and desires, and claims his "Personal Power!" self-improvement system can show results in 30 days. The closing shots of the infomercial include more testimonials, including one from a handicapped man who says his life has been enriched from using the Robbins system.

The third infomercial to be examined is titled Dianetics: The Bridge to Clear. It features a number of Hollywood

personalities, and is hosted by actor Michael Fairman. In 1950, science fiction writer L. Ron Hubbard published Dianetics. Billed as an effective mental technology, it has sold more than 15 million copies around the world. Hubbard used tenets of his findings to form the Church of Scientology, a religious philosophy adhered to by such celebrities as Tom Cruise, John Travolta, Kirstie Alley and Anne Archer, among others.

Dianetics: The Bridge to Clear details the philosophies of Hubbard, some of which are acted out in real-world situations. A videotape that accompanies the package, How to Use Dianetics: A Visual Guidebook to the Human Mind, explains the Hubbard philosophy in detail. The goal of Dianetics is for a person to become "clear," a finite state allowing a person to become unrepressed. The human mind is said to have two parts: an analytical mind and a reactive mind. The analytical mind works like a computer and also records mental images of life. The reactive mind takes over during periods of unconsciousness, reduced consciousness and physical or emotional pain.

To achieve the state of "clear," all painful moments in the reactive mind must be recalled through a process called auditing and drained of charge. The reactive mind consists of engrams, painful emotion engrams and locks. An auditor helps a "preclear" to reduce these incidents until they are gone from his or her reactive mind. Many auditing sessions are needed for the state

of "clear" to be realized.

Many celebrities endorse Dianetics in the infomercial. They include Judy Norton from The Waltons, Nancy Cartwright, the voice of Bart Simpson on The Simpsons, and musician Chick Corea. Norton hosts the commercials for the Dianetics package within the infomercial. The show features closes with many testimonials regarding the benefits of Dianetics technology.

Do the facts as represented from the three infomercials analyzed as part of this instructional unit indicate an improvement in the genre as a whole? Even though the field has been legitimized by those who first scoffed at the advertising style, some obstacles remain on its path to ultimate credibility. Both NIMA and the FTC continue to receive complaints about unscrupulous practices by some producers. Warnings and fines will likely be issued in these instances for the foreseeable future.

On the positive side, infomercial revenue, as indicated by the statistics, continues to increase. Even though its future may not be as profitable due to diminishing returns or high celebrity talent fees, the overall future of program-length commercials appears bright. With more national advertisers coming into the fold each year, and more television viewers becoming aware of them as a convenient direct marketing source, infomercial legitimacy will probably continue to improve.

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